DINA NEAL ASSEMBLYWOMAN District No. 7



COMMITTEES: Member Commerce and Labor Government Affairs Taxation

## State of Nevada Senate

Seventy-Lighth Session

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August 18th, 2015

Chairman Tom Wheeler Federal Communications Commission 445 12th Street, SW Washington, DC 20554

Re: Lifeline and Link Up Reform and Modernization, WC Docket No. 11-42,

Telecommunications Carriers Eligible for Universal Service Support, WC Docket

No. 09-197, Connect America Fund, WC Docket No. 10-90

Dear Chairman Wheeler,

African-Americans in Nevada are currently experiencing the highest unemployment rates in the nation. As a leader in the African-American community, I have seen firsthand how disproportionately African-Americans have been affected by the economic recession. The Lifeline Assistance Program is an important and valuable tool that helps low-income families of all races achieve economic success during this difficult time. By providing free and reduced cost communication services, we are empowering Nevada families to overcome financial hardships and find stable, gainful employment. The Lifeline Assistance Program is crucial for our community and state, and must continue.

I wholeheartedly support the FCC's proposal to modernize Lifeline and make it more effective for the 21st Century. It is extremely important for underprivileged households to have access to telecommunications services that are offered to all citizens, allowing them to be competitive in the job market and work on advancing their education. Broadband is one of these services. Although I am in favor of expanding Lifeline to provide broadband, this service should not come at the expense of traditional phone services. Moreover, the monthly benefit amount that is currently being used for voice, would not be sufficient to support broadband services or a bundle of both voice and broadband. The level of broadband qualified consumers would receive will not

have a material impact on Lifeline adoption by low-income households and will not be effective to actually solve any communications issues. Furthermore, customers cannot afford to make any payments to get the additional service. As a result, free wireless Lifeline will be adversely affected. Historically, low participation rates were the direct cause and effect of such payment system.

Establishing a system in which Lifeline benefits are directly given to customers through vouchers will also impede the ability for ETCs to reach qualified low-income individuals and households. Consumers who are eligible for Lifeline should not have limited access to the program. This proposal can also be subject to abuse by those who will see it as an opportunity to take advantage of others needs to use the voucher for an unintended purpose. Lifeline provides vital telecommunication services and it is crucial that we set adequate rules to manage the program.

The proposal to have the eligibility determinations made by either a government entity separate from the FCC or a third-party private entity under contract with the government also concerns me. Eligible Telecommunications Carriers (ETCs) should use personal identification requirements to prevent fraud and serve the same regulatory purpose, without adding an unnecessary burden on the carrier and possible delays in service for consumers. As an example, we have a secure form to check eligibility for Lifeline in this state, so there is no need to change our enrollment processes and add obstacles for the neediest members of our community.

I appreciate you considering my concerns and look forward to seeing the modernization of the Lifeline program.

Sincerely,

Assemblywoman Dina Neal Assembly District 7 (775) 684-8587

> cc: Commissioner Mignon Clyburn Commissioner Jessica Rosenworcel Commissioner Ajit Pai Commissioner Michael O'Rielly